

McDERMOTT WILL & EMERY LLP

Darren Azman
Joseph B. Evans
One Vanderbilt Avenue
New York, New York 10017-3852
Telephone: (212) 547-5400
Facsimile: (212) 547-5444

McDERMOTT WILL & EMERY LLP

Charles R. Gibbs (admitted *pro hac vice*)
Grayson Williams (admitted *pro hac vice*)
2501 North Harwood Street, Suite 1900
Dallas, Texas 75201-1664
Telephone: (214) 295-8000
Facsimile: (972) 232-3098

McDERMOTT WILL & EMERY LLP

Gregg Steinman (admitted *pro hac vice*)
333 SE 2nd Avenue, Suite 4500
Miami, FL 33131-2184
Telephone: (305) 329-4473
Facsimile: (305) 503-8805

**FOR INFORMATIONAL PURPOSES ONLY. NO
RELIEF IS BEING REQUESTED FROM THE COURT
AND NO ACTION IS REQUIRED.**

*Counsel to Paul R. Hage, in his capacity
as Plan Administrator for the Wind-Down
Debtor*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
VOYAGER DIGITAL HOLDINGS, INC., <i>et al.</i> ,)	Case No. 22-10943 (MEW)
Debtors. ¹)	(Jointly Administered)

PLAN ADMINISTRATOR'S EIGHTH STATUS REPORT TO CREDITORS

I, Paul R. Hage, in my capacity as the Plan Administrator (the "Plan Administrator") of Voyager Digital Holdings, Inc., *et al.* (collectively, the "Wind-Down Debtor" or "Voyager") under the *Third Amended Joint Plan of Voyager Digital Holdings, Inc. and Its Debtor Affiliates Pursuant*

¹ The Wind-Down Debtor in these chapter 11 cases consists of Voyager Digital Holdings, Inc. (7687), Voyager Digital, Ltd. (7224), and Voyager Digital, LLC (8013).

to Chapter 11 of the Bankruptcy Code [Doc. No. 1166-1] (the “Plan”),² hereby submit this *Plan Administrator’s Eighth Status Report to Creditors*.

THE SECOND DISTRIBUTION

1. As was reported in the *Plan Administrator’s Seventh Status Report to Creditors* [Doc. No. 1776], starting on July 31, 2024, the Wind-Down Debtor began issuing a second distribution to creditors of Voyager Digital, LLC (the “Second Distribution”). The Second Distribution totaled approximately \$589 million and amounts to an additional 34.28% recovery to all creditors of Voyager Digital, LLC on account of their allowed claims. When combined with the initial distribution, Voyager Digital, LLC creditors who received the Second Distribution will have received distributions to date representing a total of 70% of their allowed claim.

2. Due to the number of checks involved, distribution checks for the Second Distribution were mailed out in batches over a period of multiple weeks to the mailing address associated with each creditor’s allowed claim. That mailing is now complete.

3. Approximately 495,000 checks were mailed for a total of approximately \$587 million.³ As of September 23, 2024, 70% of those checks have been deposited for a total of approximately \$504 million. This amounts to roughly 86% of the total value of the Second Distribution. Approximately 148,000 checks totaling approximately \$83 million have not yet been deposited (16,000 of those checks were returned to the Wind-Down Debtor by the postal service as undeliverable). Almost 90% of the outstanding checks are for amounts of less than \$1,000.

² All capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Plan.

³ Distributions to certain creditors were held pursuant to section 502(d) of the Bankruptcy Code pending the resolution of ongoing litigation matters involving such creditors.

4. As was the case with the initial distribution, the Wind-Down Debtor intends to undertake extensive efforts to contact creditors who have failed to deposit their Second Distribution check over the next four months. Starting in early October 2024,⁴ a series of emails will be sent to creditors who have not deposited their Second Distribution check providing them with instructions for how to update their mailing addresses and/or request a reissued check on the creditor portal established by the Wind-Down Debtor, which can be accessed at www.investvoyager.com.

THREE ARROWS CAPITAL AND LITIGATION CLAIMS

5. The Wind-Down Debtor continues to serve as a member of the creditors' committee in the insolvency proceeding of Three Arrows Capital, Ltd. ("Three Arrows Capital"). In that capacity, we continue to collaborate closely with the Joint Liquidators of Three Arrows Capital and other significant creditors to try to maximize the return to creditors in that proceeding. Recoveries in the Three Arrows Capital proceeding will be distributed to Voyager creditors in subsequent distributions by the Wind-Down Debtor. Although there are no new material developments to report at this time, our efforts in the Three Arrows Capital proceeding are ongoing.

6. Additionally, the Wind-Down Debtor remains involved in various stages of investigation and litigation with respect to numerous causes of action. This includes, but is certainly not limited to, preference actions under section 547 of the Bankruptcy Code seeking to avoid and recover certain payments made to creditors in the 90 days immediately prior to the

⁴ The ability for creditors to update their mailing address on the creditor portal was temporarily disabled while Second Distribution checks were being printed and distributed. This tool will be reinstated in early October 2024.

bankruptcy filing. The Wind-Down Debtor's prosecution of the preference actions in particular has been successful, as a significant number of such actions have settled through informal settlement discussions and/or early mediation, thereby minimizing the expenses incurred by the estate and by the settling defendants.

7. It would be premature at this time to speculate on what impact the aforementioned matters might have on creditor recoveries. When appropriate, additional details regarding such matters will be disclosed in status reports filed with the Court and emailed to creditors.

**RESIGNATION OF THE PLAN ADMINISTRATOR AND SELECTION OF
SUCCESSOR PLAN ADMINISTRATOR**

8. Within the next few days, I will resign from the role as the Plan Administrator for the Wind-Down Debtor. This resignation is required due to my recent appointment to serve as a bankruptcy judge for the United States Bankruptcy Court for the Eastern District of Michigan. Although I regret that I will not be able to complete the process of winding down the Voyager entities and returning funds to Voyager creditors, this appointment has been a personal and professional goal of mine for many years and I am excited for this new challenge and the opportunity to serve the community in which I reside.

9. Pursuant to the Plan and the related Plan Administrator Agreement, upon the resignation of the Plan Administrator, the Oversight Committee of Voyager Digital Holdings, Inc. *et al.* (the "Oversight Committee")⁵ is charged with selecting a successor Plan Administrator. Upon receiving notice of my pending resignation this summer, the Oversight Committee selected Michael Wyse of Wyse Advisors, LLC to serve as the successor Plan Administrator, effective upon the date of my formal resignation.

⁵ The Oversight Committee consists of three individuals who previously served as members of the Official Committee of Unsecured Creditors in these bankruptcy cases.

10. Mr. Wyse is an insolvency professional with over twenty years of experience serving in a variety of fiduciary capacities. Among other roles, he has served as an advisor, a chief restructuring officer, a chief financial officer, an independent director, an investment banker, an expert witness and a liquidator. He has experience in a wide variety of industries including, but not limited to, the cryptocurrency industry. Mr. Wyse holds a combined BBA / MBA with a concentration in accounting from St Bonaventure University and is a Certified Insolvency and Restructuring Advisor. Mr Wyse's contact information is:

Michael Wyse
Wyse Advisors, LLC
51 JFK Parkway
First Floor West
Short Hills, NJ 07078
mwyse@wyseadvisorsllc.com

11. Mr. Wyse has spent a significant amount of time over the past two months getting up to speed on the Wind-Down Debtor and the various legal and other issues in these bankruptcy cases. He has met with me and with the others involved in the winding down of Voyager on multiple occasions. As a result, I am confident that the transition to him as the successor Plan Administrator will be a seamless one.

12. It has been my pleasure and honor to serve as the Plan Administrator for the Wind-Down Debtor over the past year and a half. My goal from the effective date of the Plan was to return as much money to creditors as possible as quickly and efficiently as possible. Thanks in large part to the extraordinary talents and efforts of the professionals and a small group of employees who have stayed around to assist with this wind-down, I believe that we have made good progress towards achieving that goal. I agree with the Oversight Committee that Mr. Wyse is well equipped to complete this important work.

CONCLUSION

13. The purpose of this status report is to provide a high-level update to creditors regarding the status of these bankruptcy proceedings. The foregoing is not intended to be a comprehensive list of all of the matters that the Wind-Down Debtor has been working on. Additional status reports will be prepared and filed as and when more relevant, public information becomes available.

Respectfully submitted,

By: /s/ Paul R. Hage
Paul R. Hage, solely in my capacity as
the Plan Administrator for the Voyager
Wind-Down Debtor

Dated: September 25, 2024